consist of two veterans at large, one of whom shall be a Viet Nam era veteran; one representative of the Washington soldiers' home and colony at Orting; one representative of the Washington veterans' home at Retsil; and one representative of each of the following congressionally chartered veterans organizations: American Legion, Veterans of Foreign Wars, American Veterans of World War II, Korea and Vietnam, Disabled American Veterans, Military Order of the Purple Heart, Marine Corps League, Paralyzed Veterans of America, Incorporated, American Ex-prisoners of War, and Veterans of World War I. The ((seven)) nine members representing each of the foregoing organizations shall each be chosen from ((a list of twenty-one nominees consisting of)) three names submitted to the governor by each of the named organizations. The first members of the committee shall hold office as follows: Three members to serve two years; three members to serve three years; and three members to serve four years. The first members appointed to represent the soldiers' home and colony at Orting and the veterans' home at Retsil shall hold office for four years. Upon expiration of said original terms, subsequent appointments shall be for four years except in the case of a vacancy, in which event appointment shall be only for the remainder of the unexpired term for which the vacancy occurs. No member shall serve more than two consecutive terms.

- (2) The state advisory committee shall have the following powers and duties:
- (a) To serve in an advisory capacity to the governor and the director on all matters pertaining to the department of veterans affairs;
- (b) To acquaint themselves fully with the operations of the department and recommend such changes to the governor and the director as they deem advisable.
- (3) Members of the state advisory committee shall receive no compensation for the performance of their duties but shall receive a per diem allowance and mileage expense according to the provisions of chapter 43.03 RCW.

Passed the Senate March 3, 1983.

Passed the House April 11, 1983.

Approved by the Governor April 18, 1983.

Filed in Office of Secretary of State April 18, 1983.

CHAPTER 35

[Substitute Senate Bill No. 3645] MENTAL HEALTH INSURANCE

AN ACT Relating to mental health insurance; adding a new section to chapter 48.21 RCW; adding a new section to chapter 48.44 RCW; adding a new section to chapter 48.46 RCW; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

<u>NEW SECTION.</u> Sec. 1. There is added to chapter 48.21 RCW a new section to read as follows:

- (1) Each group disability insurance contract which is issued, delivered, or renewed in this state on or after July 1, 1983, shall offer optional supplemental coverage for mental health treatment for the insured and the insured's covered dependents. Treatment shall be covered under the optional supplemental coverage if treatment is rendered by: (a) A physician licensed under chapter 18.71 or 18.57 RCW; (b) a psychologist licensed under chapter 18.83 RCW; or (c) a community mental health agency licensed by the department of social and health services pursuant to chapter 71.24 RCW. The treatment shall be covered at the usual and customary rates for such treatment. However, the treatment may be subject to contract provisions with respect to reasonable deductible amounts or copayments. In order to qualify for coverage under this section, a licensed community mental health agency shall have in effect a plan for quality assurance and peer review, and the treatment shall be supervised by a physician licensed under chapter 18.71 or 18.57 RCW or by a psychologist licensed under chapter 18.83 RCW.
- (2) The group disability insurance contract may provide that the coverage for mental health treatment is waived for all covered members if the contract holder so states in advance in writing to the insurer.

NEW SECTION. Sec. 2. There is added to chapter 48.44 RCW a new section to read as follows:

- (1) Each group contract for health care services under this chapter which is issued, delivered, or renewed in this state on or after July 1, 1983, shall offer optional supplemental coverage for mental health treatment for the insured and the insured's covered dependents. Treatment shall be covered under the optional supplemental coverage if treatment is rendered by: (a) A physician licensed under chapter 18.71 or 18.57 RCW; (b) a psychologist licensed under chapter 18.83 RCW; or (c) a community mental health agency licensed by the department of social and health services pursuant to chapter 71.24 RCW. The treatment shall be covered at the usual and customary rates for such treatment. However, the treatment may be subject to contract provisions with respect to reasonable deductible amounts or copayments. In order to qualify for coverage under this section, a licensed community mental health agency shall have in effect a plan for quality assurance and peer review, and the treatment shall be supervised by a physician licensed under chapter 18.71 or 18.57 RCW or by a psychologist licensed under chapter 18.83 RCW.
- (2) The group contract for health care services may provide that the coverage for mental health treatment is waived for all covered members if the contract holder so states in advance in writing to the health care service contractor.

<u>NEW SECTION.</u> Sec. 3. There is added to chapter 48.46 RCW a new section to read as follows:

- (1) Each group health maintenance agreement which is issued, delivered, or renewed in this state on or after July 1, 1983, shall offer optional supplemental coverage for mental health treatment to the enrolled participant and the enrolled participant's covered dependents. Treatment shall be covered under the optional supplemental coverage if treatment is rendered by the health maintenance organization or if the health maintenance organization refers the enrolled participant or the enrolled participant's covered dependents for treatment to: (a) A physician licensed under chapter 18.71 or 18.57 RCW; (b) a psychologist licensed under chapter 18.83 RCW; or (c) a community mental health agency licensed by the department of social and health services pursuant to chapter 71.24 RCW. The treatment shall be covered at the usual and customary rates for such treatment. However, the treatment may be subject to contract provisions with respect to reasonable deductible amounts or copayments. In order to qualify for coverage under this section, a licensed community mental health agency shall have in effect a plan for quality assurance and peer review, and the treatment shall be supervised by a physician licensed under chapter 18.71 or 18.57 RCW or by a psychologist licensed under chapter 18.83 RCW.
- (2) The group health maintenance agreement may provide that the coverage for mental health treatment is waived for all covered members if the contract holder so states in advance in writing to the health maintenance organization.

<u>NEW SECTION.</u> Sec. 4. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

<u>NEW SECTION.</u> Sec. 5. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect July 1, 1983.

Passed the Senate March 22, 1983.
Passed the House April 12, 1983.
Approved by the Governor April 19, 1983.
Filed in Office of Secretary of State April 19, 1983.

CHAPTER 36

[Substitute Senate Bill No. 4022]
INSURANCE COMMISSIONER JURISDICTION

AN ACT Relating to insurence; and adding a new chapter to Title 48 RCW. Be it enacted by the Ligislature of the State of Washington: